

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Municipal Administration & Urban Development Department – Hyderabad
Metropolitan Development Authority – High Level Committee to examine the
Income Tax liabilities of Hyderabad Metropolitan Development Authority -
Constituted - Orders – Issued.

MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (I₁) DEPARTMENT

G.O.Rt.No. 986,

Dated: 08.08.2011.

Read :

From the Metropolitan Commissioner, Hyderabad Metropolitan
Development Authority, Hyderabad Letter
No.HMDA/ACCTS/2011-12, dated:17.05.2011.

ORDER:

The Metropolitan Commissioner, Hyderabad Metropolitan Development Authority, Hyderabad has reported that consequent on withdrawal of exemption available under Sec 10(20A), the sale proceeds of lands is deemed as income and consequently liable for tax thereon. HMDA has remitted an amount of Rs.2684 Crores to the State Govt. duly crediting to the Consolidated Fund of the State towards resources mobilization for implementation of Govt., Projects as per the directions of the Government. In the G.O.Ms.No.85, MA, Dated:28.02.2011 it has been clarified that all the sale proceeds realized on sale of lands / plots by the HUDA / HMDA are Government receipts and not receipts of HUDA / HMDA as the said authority is only the agent of the Government and all transactions conducted by HUDA/ HMDA are on behalf of the Government only. Income Tax Dept. has served notice to HMDA according to which tax to the tune of Rs.415/- Crores needs to be paid.

2. The Metropolitan Commissioner, Hyderabad Metropolitan Development Authority, Hyderabad has also reported that in the HMDA Board meeting held on 09.05.2011 the agenda item of "Income Tax Liability of HMDA" has been placed for consideration. After discussion, the Hon'ble Chief Minister has agreed for constitution of High Level Committee with all the concerned departments to examine the implications of the tax liability of HMDA with the concerned officials. The MC, HMDA has therefore requested the Government for constitution of High Level Committee to examine the Income Tax liabilities of HMDA.

3. Government after careful examination of the matter hereby constitute a High Level Committee to examine the Income Tax liabilities of HMDA with the following officers and submit a report to Government :

I	Principal Finance Secretary to Government, Finance Department.	Chairman
Ii	Principal Secretary to Government(UD), MA & UD Dept.,	Member
iii	Metropolitan Commissioner, Hyderabad Metropolitan Development Authority, Hyderabad.	Member

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

B. SAM BOB,
PRINCIPAL SECRETARY TO GOVERNMENT (UD)

To
The Principal Finance Secretary to Government,
Finance Department.
The Principal Secretary to Government (UD),
Municipal Administration and Urban Development Department.
The Metropolitan Commissioner,
Hyderabad Metropolitan Development Authority, Hyderabad.

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Copy to:

P.S. to Secretary to Chief Minister.

P.S. to Minister for Municipal Administration.

P.S. to Chief Secretary to Government.

P.S. to Prl. Secretary to Govt., MA & UD Dept.,
Sf/Sc.

// FORWARDED:: BY ORDER //

SECTION OFFICER